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**Strengthening the United Nations machinery for drug control**

## Strengthening the United Nations International Drug Control Programme and the role of the Commission on Narcotic Drugs as its governing body

### Report of the Executive Director

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# I. Introduction

1. In its resolution 44/16, entitled "Strengthening the United Nations International Drug Control Programme and the role of the Commission on Narcotic Drugs as its governing body", the Commission on Narcotic Drugs requested the Executive Director to submit a preliminary report on the progress made in the implementation of the resolution to the Commission at its reconvened forty-fourth session, which was held in Vienna from 12 to 14 December 2001, and a final report at its forty-fifth session. The preliminary report, contained in document E/CN.7/2001/15, was submitted to the reconvened forty-fourth session pursuant to that request.

# II. Strengthening the dialogue between Member States and the United Nations International Drug Control Programme

2. In its resolution 44/16, the Commission expressed the need to promote a regular dialogue between Member States and the United Nations International Drug Control Programme (UNDCP) on the planning and execution of drug control programmes, taking into account the priorities of Member States, in order to ensure their feasibility and success. The attention of the Commission is also drawn to General Assembly resolution 56/124 of 19 December 2001, in section IV of which the Assembly requested the Programme to continue to strengthen dialogue with Member States and also to ensure continued improvement in management, so as to contribute to enhanced and sustainable programme delivery and further encourage the Executive Director to maximize the effectiveness of the programme, inter alia, through the full implementation of resolution 44/16 of the Commission on Narcotic Drugs, in particular its recommendations.

3. In paragraph 1 of resolution 44/16, the Commission encouraged strengthened dialogue between Member States and the Secretariat on the priorities and management of the Programme, and requested the Executive Director to facilitate that process through thorough and timely preparation of the operational segment of the Commission on Narcotic Drugs and of regular intersessional meetings of the Commission. In paragraph 2, the Commission decided to use a sufficient number of meetings during the intersessional period to examine all the components of the normative and operational segments of its programme of work at the preparatory stage and to enhance its capacity to provide policy guidance to the Programme at its regular session. In paragraph 3, the Commission requested the Executive Director to convene informal joint meetings, at regular intervals, of donor and recipient countries on the planning and formulation of the operational activities of the Programme, including projects, taking into account the priorities of all Member States concerned.

**Action taken**

4. After the first part of the forty-fourth session of the Commission, the Chairman of the Commission convened two intersessional meetings, on 18 June and 16 November 2001. The intersessional meetings made organizational and substantive preparations for the reconvened forty-fourth session of the Commission.

5. Two further intersessional meetings of the Commission will be convened, in line with past practice, to address the normative and operational segments of the agenda of the forty-fifth session of the Commission, to be held from 11 to 15 March 2002. In line with the practice established by the Chairman of the forty-fourth session of the Commission, regular consultations will continue to be held between the Chairman and the bureau of the Commission with the Executive Director, on the work of UNDCP, in particular to provide policy guidance to the Programme on a continuous basis.

6. Pursuant to paragraph 3 of resolution 44/16, informal joint meetings of donor and recipient countries were convened by the Executive Director of UNDCP and chaired by the Chairman of the Commission. The programme of work of the first and second informal joint meetings, held on 5 July and 13 July 2001, respectively, considered the following issues: elements of a strategy for Africa and the UNDCP programme in Afghanistan. The meeting of donor and recipient countries was informed of operational activities of UNDCP in the field of drug demand reduction. The meeting also discussed the structure and organization of future meetings. In future, the agenda will consist of three segments: a thematic segment, a governance segment related to the

function of the Commission and a regional segment. At the third meeting of donor and recipient countries, held on 9 October 2001, the following issues were considered: initiatives to implement the Declaration on the Guiding Principles of Drug Demand Reduction (General Assembly resolution S-20/3, annex), a status report on the implementation of the recommendations of the Office of Internal Oversight Services and the external auditors and the UNDCP programme for Afghanistan. The agenda was agreed upon following consultations by the Chairman of the Commission with the extended bureau of the Commission, including the Chairman of the Group of 77 and the representative of the Presidency of the European Union. A meeting of donor and recipient countries will be held on 26 February 2002.

## III. Improving the effectiveness of the work of the Commission

7. In paragraph 5 of resolution 44/16, the Commission requested the Executive Director to present all reports and background information to the States members of the Commission early enough to enable them to prepare to take an active part in, and make a valuable contribution to, the deliberations of the Commission, including at its intersessional meetings. In paragraph 6, the Commission recommended that the resources of the bureau be used to advance its organizational work to enable it to devote more time to the substantive discussion of the normative and operational segments of its programme of work at the intersessional meetings.

**Action taken**

8. In compliance with the rules governing the issuance of documentation for intergovernmental meetings, the documents for the reconvened forty-fourth session of the Commission were made available to Member States six weeks prior to the meeting. The documents for the forty-fifth session will also be made available six weeks prior to the meeting. The bureau of the Commission for the forty-fifth session, following its election in December 2001, as requested in Economic and Social Council resolution 1999/30, will hold regular consultations to prepare for the normative and operational segments of the agenda of the Commission.

9. The attention of the Commission is drawn to recommendation 1 contained in the report of the Office of Internal Oversight Services attached to a note by the Secretary-General on the investigation into allegations of misconduct and mismanagement of the "boat project" at the Office for Drug Control and Crime Prevention of the Secretariat (A/56/689). In that recommendation, the Commission was called upon to ensure that the projects initiated by the Office for Drug Control and Crime Prevention henceforth follow United Nations rules, regulations and authorization and funding procedures.

## IV. Operations and management of the United Nations International Drug Control Programme

10. In paragraph 7 of resolution 44/16, the Commission encouraged the efforts of UNDCP to take appropriate measures to ensure and report on the implementation of independent, open and impartial evaluations of the operational activities of the Programme, including, inter alia, through the participation of recipients and external experts. In paragraph 8, the Commission encouraged the Executive Director to continue his efforts to maximize the effectiveness of the organization. In paragraph 10, the Commission called for continued improvement in management and a strengthened dialogue with Member States so as to contribute to enhanced and sustainable programme delivery.

**Action taken**

**(a) Independent, open and impartial evaluations**

11. Pursuant to paragraph 7 of resolution 44/16, the participation of Member States in the evaluation process, in particular at the field level, is being actively pursued. The yearly evaluation plan is kept updated and available to Member States on the secure web site for permanent missions. Field offices have been informed that the participation of donors and other partners in the evaluation process is to be encouraged. Currently, programme evaluations include the participation of all concerned partners in the evaluation process.

**(b) Maximizing the effectiveness of the organization**

12. To maximize the effectiveness of the organization, referred to in paragraph 8 of resolution 44/16, programme oversight and monitoring have been strengthened through, inter alia: the establishment of the Programme and Project Committee and of the Programme and Financial Information Management System (ProFi); the adoption of a result-based budget approach; and the institution of procedures for the evaluation of activities at the thematic and programme levels, as well as of individual projects.

**(c) Establishment of the Programme and Project Committee**

13. The Programme and Project Committee of the Office for Drug Control and Crime Prevention was established in March 2001 to serve as a corporate mechanism to review programme and project proposals. A pool of UNDCP staff is responsible for assessing the technical merits, budgetary soundness and funding prospects of each proposal. The Committee is responsible, inter alia, for assessing proposals, reviewing the related feasibility studies and funding potential and assessing the proposed execution modality as well as the consultations that have taken place with the implementing partner, as applicable. The terms of reference of the Committee are contained in the Executive Director's management instruction of 15 March 2001 (ODCCP/MI/11). During the period from March to September 2001, the Committee reviewed a total of 73 proposals received from UNDCP and the Centre for International Crime Prevention, 20 per cent of which were either turned down or returned to the submitting office for further work.

**(d) Introduction of the Programme and Financial Information Management System**

14. Both the Office of Internal Oversight Services and the Board of Auditors have recommended that the UNDCP financial management system be replaced in order to ensure adequate monitoring of and control over the funds entrusted to UNDCP and to enable timely dissemination of financial information to Member States. Based upon a feasibility study conducted in 1998, UNDCP began the design and implementation of a new Programme and Financial Information Management System based on an industry standard enterprise resource planning (ERP) system. Through this financial information system, managers will have access to real-time data on the financial status of all projects, including funding, budget and expenditure. Member States will be provided access via the Internet to financial status reports from the system. The system has six components, budget, funding, expenditures, accounts, reports and access for Member States, and will be fully operational in March 2002, with access by Member States on a restricted Internet site. Subject to availability of resources, a second phase for the system is expected to start in 2002 with a view to complementing the financial management data with information on programme and project activities and results.

**(e) Result-based budget approach**

15. UNDCP has moved to a result-based management framework, focusing on performance and achievement of objectives. This involves explicit definition of achievable objectives at the programme and project level, clarifying linkages to mandates, in particular the action plans and measures agreed upon by the General Assembly at its twentieth special session. The first result-based management framework dealing with the proposed initial programme budget for the biennium 2002-2003 for the Fund of UNDCP was approved by the Commission at its reconvened forty-fourth session. At the project level, substantive monitoring will be systematized across UNDCP and information made accessible through the introduction of a computer-based project management and monitoring tool, fully integrated with the financial monitoring tools of the Programme and Financial Information Management System. All managers will have access via the Intranet to project status and monitoring reports.

16. During the period 2002-2003, UNDCP will strengthen its capacity to monitor successes and failures in meeting the overall United Nations goals of substantially reducing global supply and demand for illicit drugs, to evaluate the impact of its programmes and to identify best practices in drug control and to report more systematically on global, regional and national trends, as well as on the progress of its programmes. This will be done in the framework of the result-based budget approach. Integral to that approach is a systematic and rigorous monitoring of progress towards results based on clearly defined indicators of achievement as well as objective means for their

verification. Both quantitative and qualitative measures are needed. In addition to regular monitoring, periodic in-depth evaluation will be fully integrated into the result-based budget framework.

**(f) Evaluation of activities at the programme level**

17. A parallel development is the evaluation of activities at the programme level, in addition to the traditional project-by-project evaluation approach. The goal is to ensure the relevance of actions undertaken and provide a better basis to assess results, impact and sustainability. The first few programme-level evaluations took place in 2001, in particular for Brazil, Tajikistan and south-east Asia. The comprehensive evaluation of the operational efficiency and effectiveness of the Tajikistan Drug Control Agency, completed in December 2001 by a team of independent experts, was also undertaken to comply with a recommendation contained in the report of the Office of Internal Oversight Services on the inspection of programme management and administrative practices in the Office for Drug Control and Crime Prevention (A/56/83). The number will be expanded in coming years until all programmes are regularly evaluated at that level. Evaluations of individual projects continue. It is anticipated that a total of some 55 project evaluations will be completed in the biennium 2000-2001. In the biennium 2002-2003, a series of thematic evaluations of UNDCP projects will take place. Such evaluations have as their primary goal to extract lessons and best practice in the various thematic areas of UNDCP work. Project and programme evaluations rely on the use of independent experts almost exclusively, while thematic evaluations involve a mix of in-house and independent experts.

**(g) Project execution**

18. Arrangements for the execution of projects are identified and adopted on a project-by-project basis depending on who is best placed to deliver the most cost-effective substantive, managerial and administrative support services. To deliver its technical assistance portfolio, UNDCP relies extensively on national execution modalities and other United Nations entities, such as the Food and Agriculture Organization of the United Nations, the World Health Organization and the United Nations Children's Fund, the Customs Cooperation Council (also known as the World Customs Organization), as well as non-governmental organizations, according to their respective expertise. When justifiable, execution by UNDCP is chosen, relying on implementing partners to handle administrative matters. The United Nations Development Programme and the United Nations Office for Project Services are used for support to field offices in areas such as local recruitment, procurement and subcontracting. At headquarters, the United Nations Office at Vienna handles all such matters. Guidelines will be produced on criteria to facilitate selection of execution arrangements.

**(h) Improving the organizational framework for the United Nations International Drug Control Programme**

19. Several measures have been adopted to improve the organizational framework of UNDCP. Specific measures include a complete review of the reporting lines, in particular with regard to functions reporting directly to the Executive Director. A number of changes have been made regarding the delegation of authority. For example, in March 2001, authority was delegated to all directors for staff travel, approval of consultancies, meetings and seminars. Operational and structural synergies between UNDCP and the Centre for International Crime Prevention have been identified and implemented. A detailed implementation and status report on all management measures was addressed to the Office of Internal Oversight Services and Member States on 13 September 2001, and a second report was submitted to the Office on 3 December 2001.

## V. Funding of the United Nations International Drug Control Programme

20. In paragraph 11 of resolution 44/16, the Commission urged all Governments to provide, to the fullest extent possible, financial support to the Programme, and requested the Executive Director to continue his efforts, in cooperation with Member States, to broaden the donor base and increase voluntary contributions to the Fund of UNDCP, including the general-purpose fund.

**Action taken**

21. The funding policy of UNDCP has been revised and related management instructions were issued by

the Executive Director in May 2001. The revised policy introduces a coherent system of checks and balances designed to promote those programmes and projects which can count on reasonable assurances of donor support and to discard programmes and projects that do not offer good funding prospects. All new programme and project ideas are shared with potential donors at a very early stage to determine their funding viability. Equally important, no UNDCP operational activity will be launched before at least 50 per cent of the required funding has been pledged in writing.

22. UNDCP is in the process of preparing a new fund-raising strategy, targeting, inter alia, foundations, the private sector through partnership-building and various funds. The field offices will be active in promoting fund-raising activities at the local level. The new strategy will be discussed with Member States and presented to the Commission at its forty-fifth session. Other avenues to be pursued relate to the allocation of resources from confiscated assets. One donor country has already pledged such funds to UNDCP, while another Government recently adopted a decree in that respect.

23. Considerable success has been achieved in mobilizing resources under cost-sharing arrangements, for example with four Latin American and some African countries. Cost-sharing arrangements are normally worked out in connection with a loan taken by the Government concerned from a multilateral lending institution. A portion of the borrowed funds is then provided to UNDCP by the Government for specific projects in the country. Cost-sharing arrangements of that type are indicative of the greater role being played in drug control by the international lending institutions. For example, both the World Bank and the Inter-American Development Bank have granted loans to Latin American countries for drug control work. The Asian Development Bank is providing a loan to the Lao People's Democratic Republic for economic development in areas affected by the illicit cultivation of opium poppy. UNDCP funds a portion of the same project as part of its alternative development activities. The overall project has been designed collectively with the Lao authorities. The Libyan Arab Jamahiriya is contributing the full cost of a UNDCP multisectoral drug control assistance project in that country. With the signing of agreements on funding programmes dealing with the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) and drug abuse, inter-agency cooperation between UNDCP and the Joint United Nations Programme on HIV/AIDS is growing. Those initiatives underline the role of UNDCP as a catalyst for mobilizing resources from a variety of sources, whether or not the funds ultimately come through UNDCP.

24. The business plans that have been developed for Latin America in furtherance of the objectives adopted by the General Assembly at its twentieth special session are built around a similar principle. UNDCP itself funds some of the activities, while the international financial institutions and other aid agencies finance other parts of the work. UNDCP has an important catalytic role to play in identifying sources of funding and in facilitating project design and related interaction among the partners.